



Trade and Agriculture **What's at Stake for Alaska?**

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Alaska is an important producer and exporter of fish and solid wood products. In 2000, the State's commercial fish landings totaled \$1 billion. Wood product shipments were \$369 million in 1997. These industries are important to Alaska's economy and more reliant on overseas markets than the fish and wood industries of any other state. In 200, the value of fish and wood products leaving the port of Anchorage was \$907 million and \$208 million, respectively. These exports create jobs in mills and at ports, and also support jobs in related sectors, such as food processing, storage, and transportation.

World demand for fish and wood products is increasing, but so is competition among suppliers. If Alaska's industries are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *more open access* to growing global markets.

Alaska Benefits From Trade Agreements

Alaska is already benefitting from a number of agricultural trade agreements. While there is still much to be done, examples of market opportunities for Alaska include:

- # Under the Uruguay Round, major U.S. trading partners are reducing their tariffs 28 percent on average for wood products. In the case of Japan, these cuts (along with other measures) helped create a new market for U.S. laminated lumber products, now valued at \$50 million annually.
- # Under the U.S.-Japan Wood Products Agreement, Japan liberalized its building codes to allow for wood in a greater variety of applications, thus expanding opportunities for a wide range of value-added solid wood products.
- P Under the North American Free Trade Agreement (NAFTA), Mexico agreed to immediately eliminate or phase out its tariffs on solid wood products by 2003. Following Mexico's peso crisis and severe economic downturn in 1995, U.S. wood sales rose steadily, making Mexico our third-largest market with exports totaling \$435 million. NAFTA has also helped U.S. exporters of fish and seafood products maintain their position as the leading suppliers to Mexico. U.S. fishery exports to Mexico rose from \$36 million in 1993 to \$100 million in 1999, and will likely remain a \$100-million market in 2001.
- P The 1989 U.S.-Canada Free Trade Agreement all but eliminated tariffs on solid wood products and fish and seafood. Since then, Canada has become the United States' largest wood export market. U.S. solid wood exports to Canada nearly tripled since 1989 to \$1.82 billion in 2000. U.S. fishery exports to Canada have more than tripled, growing from \$200 million in 1989 to a record \$615 million in 2000.